

REVIEW OF THE TRAWL CATCH SHARE PROGRAM

Council Meeting, September 2025



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PLAN FOR TODAY

- Introduction
 - Scope of review
 - Program goals and objectives
 - Requirements of program reviews
 - Key findings of Previous Review
- Review of Program Performance Key Findings
 - Environmental
 - Economic
 - Social and Community
- Conclusions

SCOPE OF REVIEW

- The primary focus is the years **2016-2023**. The period since the last review through the most recent year that EDC data are available.
- Focus is on changes in performance related to goals and objectives and other key areas required under NMFS guidance.
 - Relies on retrospective and comparative analysis, cannot determine what outcomes would have been had the program not been implemented
- The Council motion requested the review to focus on diagnosing why the catch share program is not meeting its goals and objectives, with a particular emphasis on the bottom trawl sector.
 - This will be brought back in November

PROGRAM GOALS AND OBJECTIVES

Goals

1. Increase net economic benefits
2. Creates individual economic stability
3. Provides for full utilization of the trawl sector allocation
4. Considers environmental impacts
5. Achieves individual accountability of catch and bycatch

Objectives

1. Provide a mechanism for total catch accounting
2. Provide for a viable, profitable, and efficient groundfish fishery
3. Promote practices that reduce bycatch and discard mortality and minimize ecological impacts
4. Increase operational flexibility
5. Minimize adverse effects from an IFQ program on fishing communities and other fisheries to the extent practicable
6. Promote measurable economic and employment benefits through the seafood catching, processing, distribution elements, and support sectors of the industry
7. Provide quality product for the consumer
8. Increase safety in the fishery

REQUIREMENTS OF PROGRAM REVIEWS

- Focus on changes since last program review
- Key areas:
 - Analysis of the program's biological, ecological/environmental, economic, social, and administrative effects
 - Evaluation of how the program is meeting its goals and objectives
- Other required contents:
 - Allocations
 - Eligibility, transferability, and duration
 - Catch and sustainability
 - Accumulation limits/caps
 - Cost recovery
 - Data collection/reporting, monitoring, and enforcement
 - New entrants

LAST REVIEW'S KEY FINDINGS 2011-2015

- **Improved environmental performance:** decrease in discard rate
- **Challenges achieving full utilization:** low non-whiting utilization
 - Markets
 - Constraining species
 - Gear switching
- **Improved economic outcomes overall:** net benefits, consolidation, and efficiency
- **Negative distributional impacts on individuals and fishing communities**
 - Some ports saw increases, others decreases
 - Concerns about monitoring costs, cost recovery
 - Infrastructure losses
- **Improved safety:** Removal of race to fish incentives expected to improve safety, data indicate improvements
- **External factors affecting whiting fishery outcomes:** increases in whiting TACs, 2015 anomalous ocean conditions



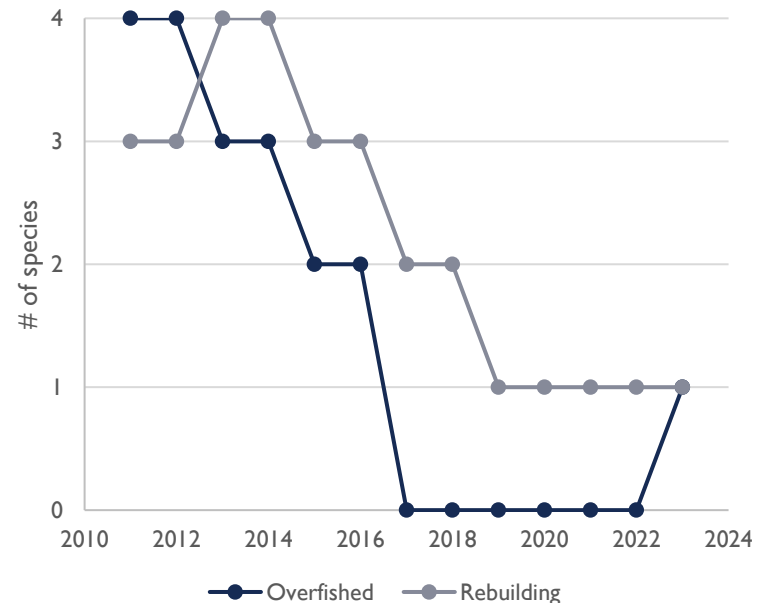
PROGRAM PERFORMANCE: MAJOR FINDINGS

KEY FINDINGS 2016-2023

- Many trends and conclusions from previous review held between 2016 and 2023:
 - **Individual accountability of catch and bycatch: supported by comprehensive monitoring**
 - Environmental outcomes: few ACL exceedances, maintained low discard rate
 - Excessive shares: proportion of participants at or near limits remains low
 - Consolidation: fishery continued to consolidate
 - Flexibility: program continues to allow participants to determine when and how to participate in the program, IFQ participants receive increasingly large share of revenue from non-catch share fisheries
 - Safety: incidents and fatalities remain low
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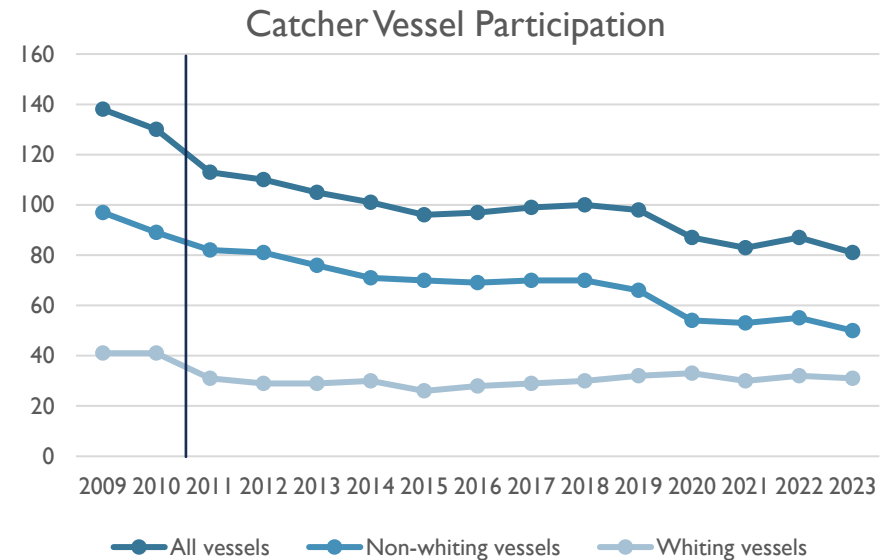
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Quartile	Percent of QS Held
25% of QS holders hold less than	0.04%
50% of QS holders hold less than	0.14%
75% of QS holders hold less than	0.40%

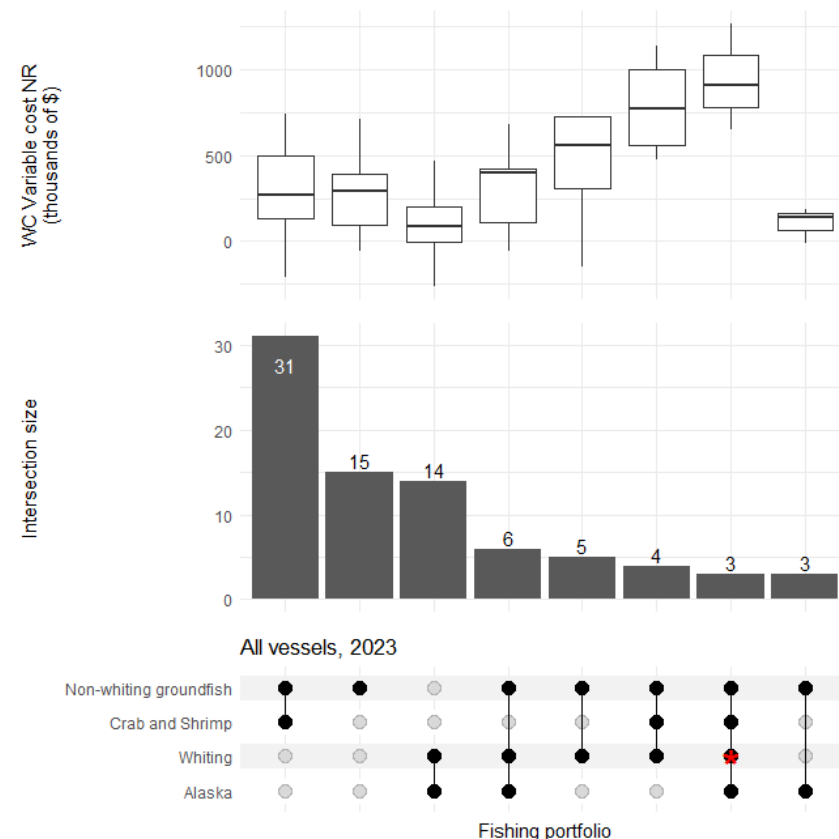
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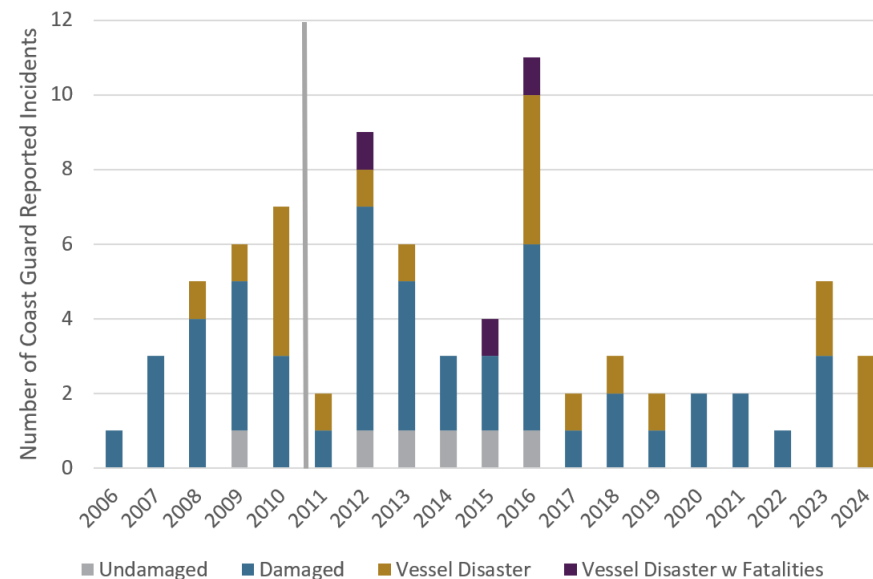
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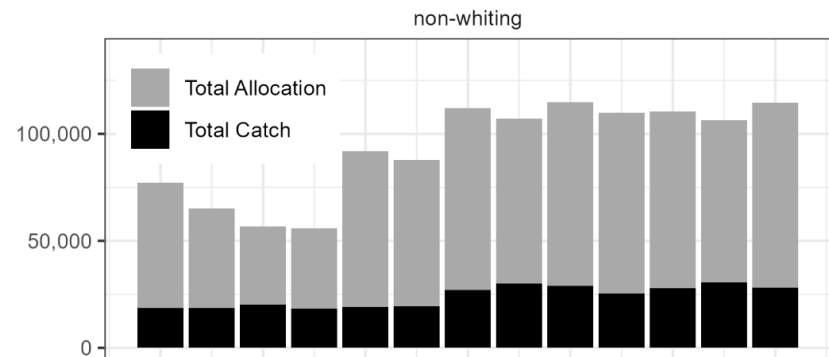
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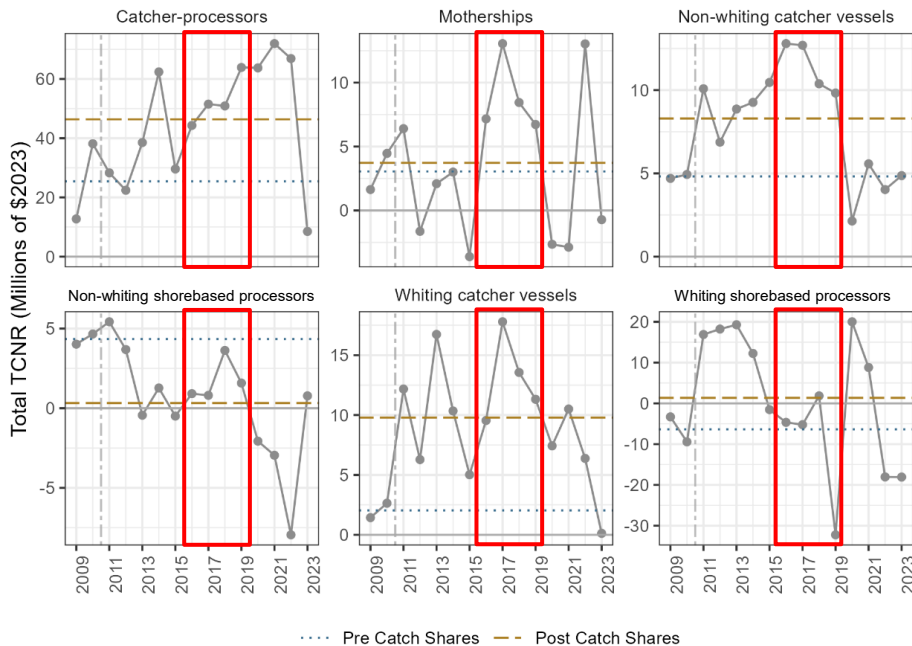


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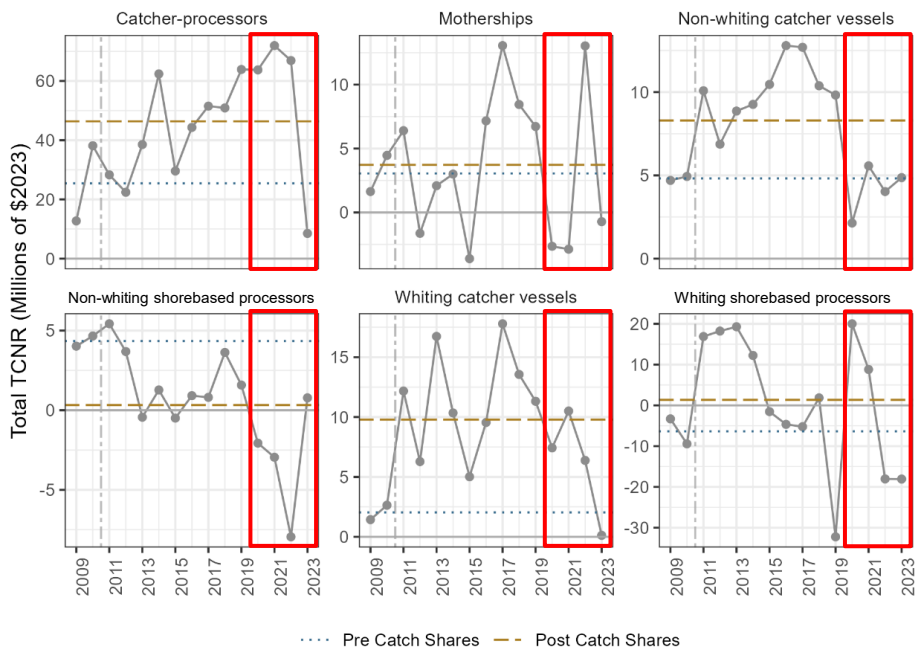
KEY FINDINGS 2016-2023



*Net benefits is TCNR not including buyback fees (transfers to taxpayers)

- Many economic performance indicators have been variable since 2016
- **Net benefits for most sectors at record highs 2016-2019**
- Between 2020 and 2023, revenue, profitability and net benefits declined
- Declines in whiting utilization since 2018
- Timing and magnitude of changes vary by primary target species (whiting or non-whiting) and sector
- Landings and revenue **continue to be consolidated** in fewer ports
- **Distribution of outcomes** varies within sectors, inequality increasing
- **Loss of infrastructure** remains a concern

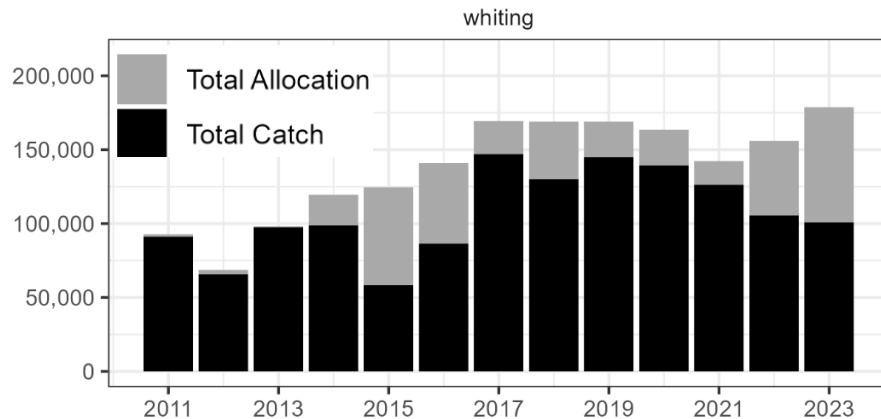
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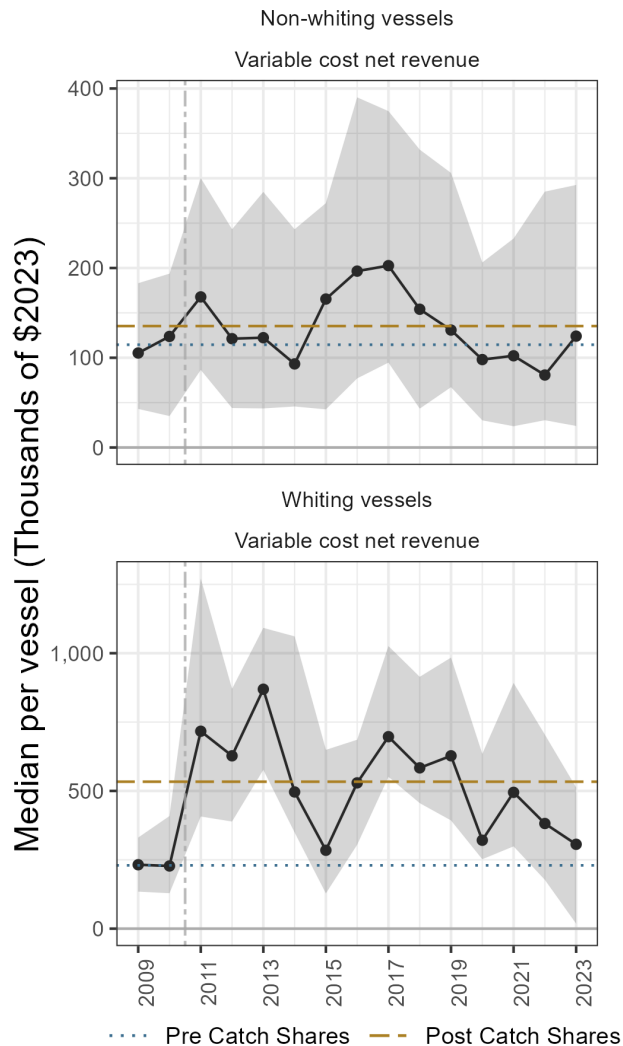
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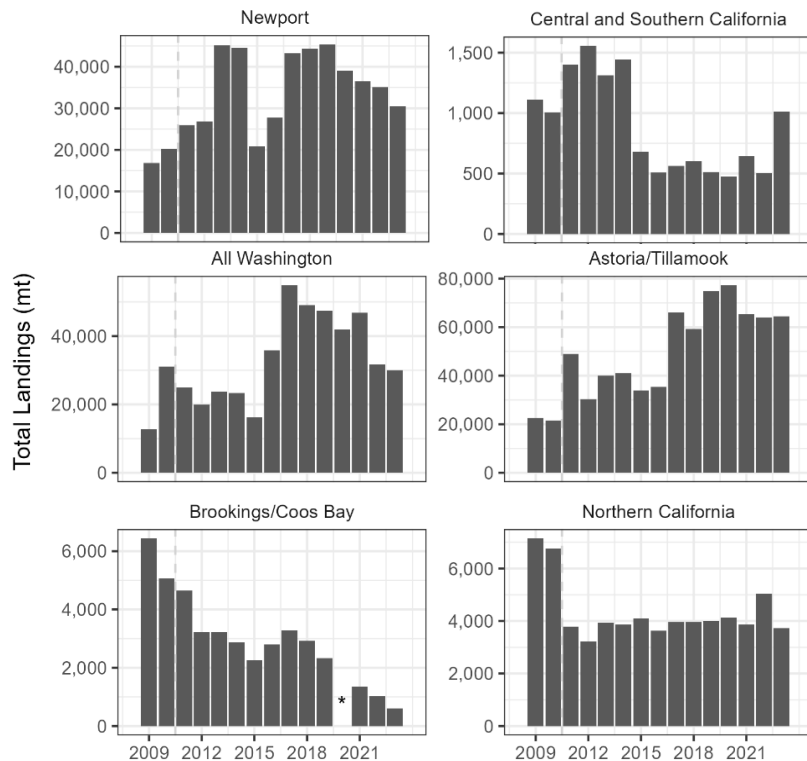
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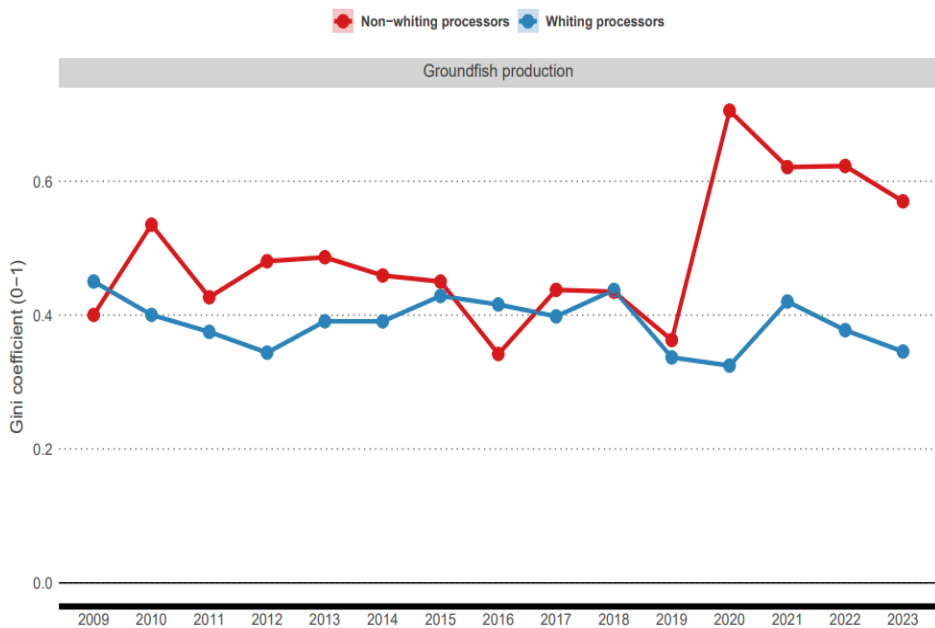
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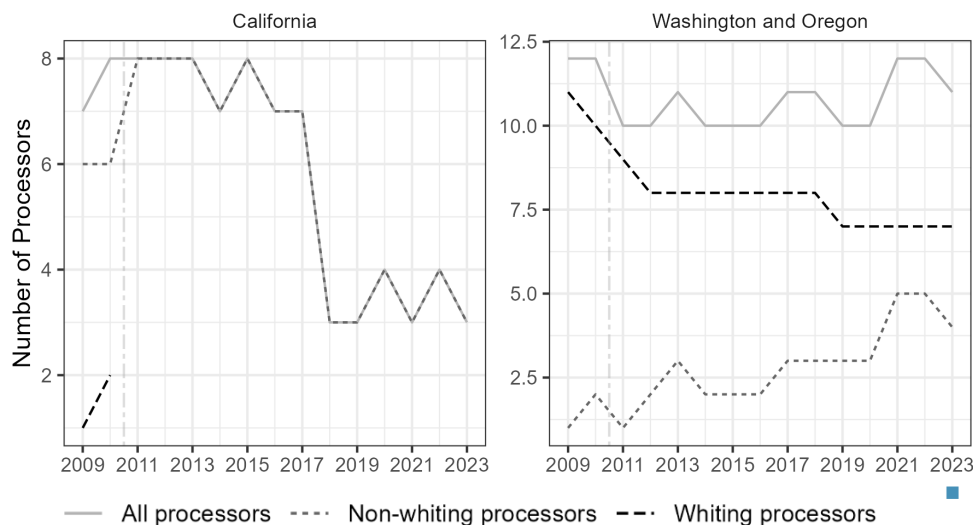
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KEY FINDINGS 2016-2023

Shorebased Processor Participation

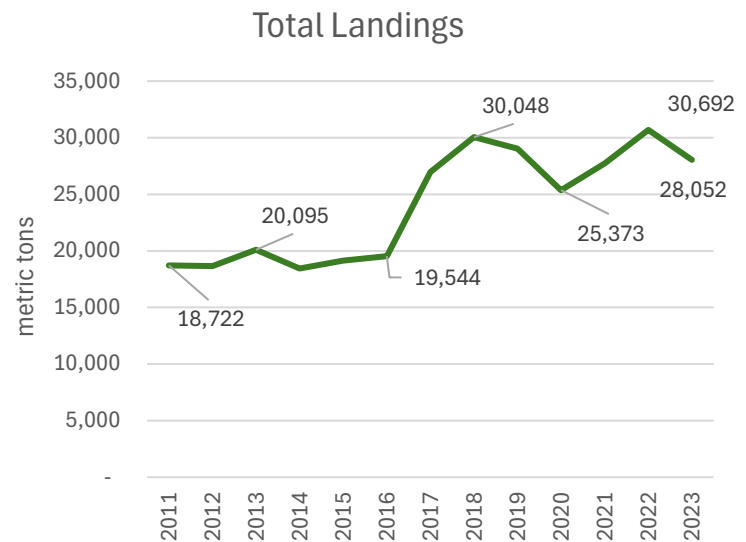
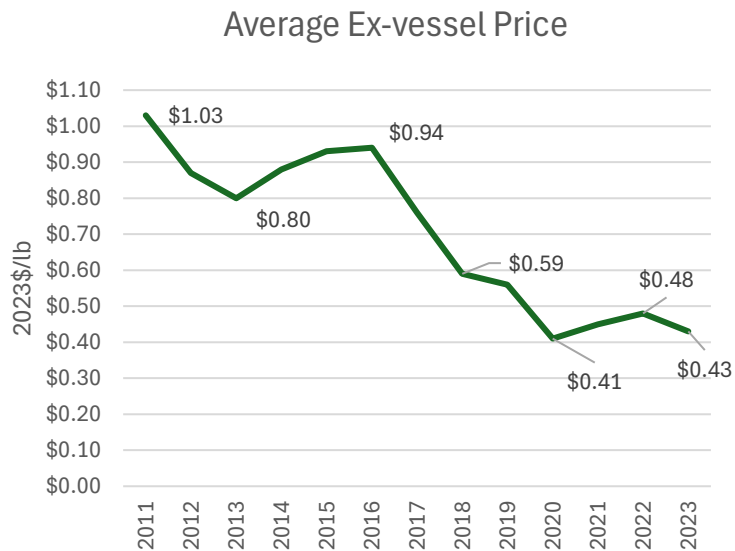


*number of processing companies by state/region

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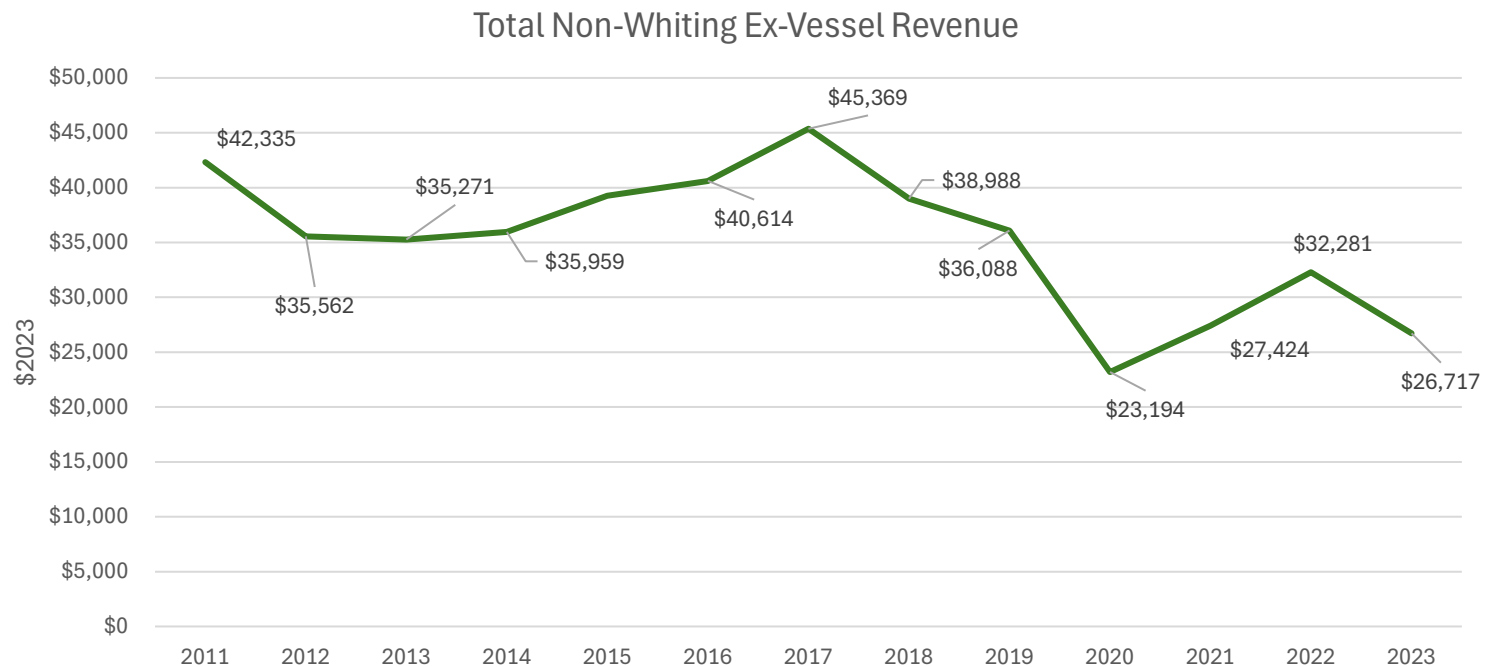
NON-WHITING PRICE, VOLUME, AND REVENUE TRENDS

- Price, landings, and value driving changes in non-whiting economic outcomes



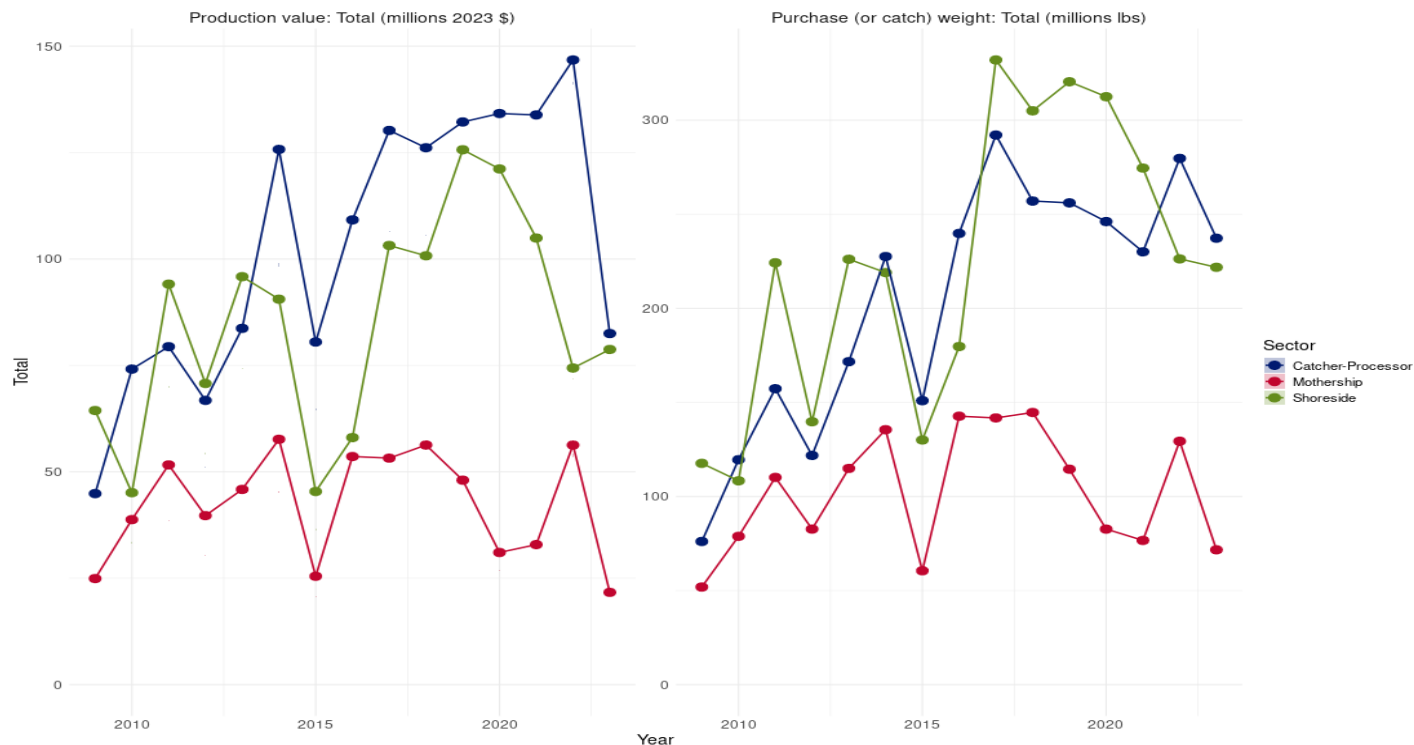
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WHITING PRODUCT VALUE & CATCH/PURCHASE WEIGHT

- **Motherships:** received higher price for surimi prior to 2018 (compared to CPs); declines in overall value starting in 2019 due to declining purchase weights
- **Shorebased processors:** less production value per pound than other sectors because they tend to produce either H&G or round products; declines in value since 2020
- **Catcher processors:** Declines in production prices and total production value for surimi and fillets (primarily produced by catcher processors) contribute to declines in 2023



WHY?

- Whiting outcomes
 - Sectors tend to produce different products that have varying product values. Shoreside H&G and round, MS fillets some years & surimi, CP surimi & fillets.
 - Products produced are to supply the sector's markets.
- Non-whiting
 - Price declines, lack of markets ongoing issue from previous review
 - Initially species rebuilding, non-DTS fisheries allowed for revenue to remain level 2016-2019
 - Post-2020 continued price declines
- All fisheries:
 - COVID-19 impacts starting in 2020
 - Tariffs and global market changes

SUMMARY OF CHANGES IN TRENDS RELATIVE TO GOALS AND OBJECTIVES

Goals

1. Increase net economic benefits (~)
2. Creates individual economic stability (~)
3. Provides for full utilization of the trawl sector allocation (x)
4. Considers environmental impacts (✓)
5. Achieves individual accountability of catch and bycatch (✓)

Changes since last program review:

No change/improvement in indicators (✓)

Mixed changes in indicators (~)

No change/decline in indicators (x)

Objectives

1. Provide a mechanism for total catch accounting (✓)
2. Provide for a viable, profitable, and efficient groundfish fishery (~)
3. Promote practices that reduce bycatch and discard mortality and minimize ecological impacts (✓)
4. Increase operational flexibility (✓)
5. Minimize adverse effects from an IFQ program on fishing communities and other fisheries to the extent practicable (~)
6. Promote measurable economic and employment benefits through the seafood catching, processing, distribution elements, and support sectors of the industry (~)
7. Provide quality product for the consumer (✓)
8. Increase safety in the fishery (✓)

CONCLUSIONS

- **The good**: Overall, many of the trends and conclusions from the previous review **continued between 2016 and 2023**: individual accountability of catch and bycatch, excessive shares, consolidation, flexibility, environmental outcomes and sustainability, and safety.
- **The not so good**: Outcomes related to several economic goals and objectives, including utilization, net benefits, efficiency, and profitability, have been variable in the eight years since the last review, with most sectors showing **improvements in key economic indicators between 2016 and 2019** relative to the first five years, but **declines in recent years (2020–2023)**.
- **Why?** Recent declines in economic performance is likely influenced by U.S. and global seafood market conditions that have negatively impacted many U.S. fisheries.

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- Co-Authors:
 - Diana Perry, Northern Economics
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 - Jim Seger, formerly PFMC
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 - Erin Steiner, NWFSC
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